

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Public Services – Treasuries and Accountants (Gazetted) Service – Sri M.Vidya Sagar, Formerly Assistant Accounts Officer, O/o the SPD SSA, Hyderabad (now retired) – Misappropriation of Government Funds – Charges Framed Held Proved – Compulsorily Retired from Service – Punishment set aside by the Andhra Pradesh Administrative Tribunal in O.A.No.3110/2012 – Implementation of Andhra Pradesh Administrative Tribunal orders dt.24.07.2013 – Orders – Issued.

FINANCE (ADMN.I) DEPARTMENT

G.O.Ms.No. 167

**Dated:04-08-2014.
Read the following:**

1. Charge Memo.Rc.No.350/FC/SSA/2007, dt.10.09.2007 and dt.25.11.2008 of the State Project Director, SSA, A.P., Hyderabad.
2. Proceedings No.K(II)8/5098/2007, dt.16.04.2011 of the DTA, A.P., Hyderabad.
3. APAT orders dt.24.07.2013 in O.A.No.3110 of 2012 filed by Sri M.Vidya Sagar, former AAO.
4. Law Department U.O.No.1263/6/1/2014, dt.26.03.2014.
5. GP Lr.No.76/2014/PVSP/Ser.II/HC, dt.26.05.2014.

ORDER:

In the reference first read above, the following Charges were framed against Sri M.Vidya Sagar, formerly Assistant Treasury Officer, Treasuries and Accounts Department while he was working as Assistant Accounts Officer in Rajiv Vidya Mission (Sarva Siksha Abhiyan), Hyderabad.

Charge-I:

That the said Sri M.Vidya Sagar, Assistant Accounts Officer, O/o the State Project Director, Sarva Siksha Abhiyan, Andhra Pradesh, Hyderabad has committed irregularities in verifying the correctness of Annual Account Statement with that of Utilization Certificates issued by the Chartered Accountants of various schemes of the Project for the year 2001-02 to 2004-05. In some schemes, the Utilization Certificates submitted to the Government of India were revised once/twice based on the remarks offered by the Ministry of Human Resource Development Officers. The Ministry Human Resource Development Officials were pointed out the mistakes occurred in Utilization Certificates and Annual Accounts several times and thereby the funds were not received in the project in time. And also the fraud was not detected earlier.

Charge.II :

Due to non-detection of discrepancies among the figures of Utilization Certificates and Annual Statements, Expenditure and Closing Balances of the schemes the actual facts were kept in dark and fraud was not prevented.

Charge.III :

That the said Sri M.Vidya Sagar, Assistant Accounts Officer, O/o the State Project Director, Sarva Siksha Abhiyan, Andhra Pradesh, Hyderabad has colluded with Smt. R.Malathy, Sri V.Subhramanyam and Sri M.Srinivas and misappropriated Government funds to the extent of

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Rs.9,40,000/- by withdrawing unofficially from State Bank of Hyderabad, Begumpet Branch Account No.52092513510 relating to DPEP-I Scheme as state below:

- 1. A self cheque bearing No.924305 dt.15.05.2006 for Rs.5,00,000/- was signed and issued by Smt. R.Malathy, the then FAO and on the reverse side of the cheque, Sri M.Vidya Sagar signed as M.V.Sagar in token of receiving the cash on 29.05.2006.**
- 2. Another self cheque No.924304 dt.29.05.2005 for Rs.4,40,000/- was signed and issued by Smt. R.Malathy, the then FAO and on the reverse side of the cheque Sri M.Vidya Sagar signed as M.V.Sagar in token of receiving the cash on 29.5.2006.**

In addition to the above two cheques certain other cheques were also with drawn by his colluded colleagues. For all these withdrawals no sanction was given by the State Project Director. These transactions were not recorded in the official books of Accounts of Sarva Siksha Abhiyan, i.e., Bill Book, Cash Book etc.

2. Under Rule 30 of Andhra Pradesh Civil Service (CCA) Rules 1991, Sri S.Venkateswara Sharma, Additional State Project Director of Sarva Siksha Abhiyan, Hyderabad was appointed as Inquiry officer. Simultaneously, a criminal case was also filed with the CID.

3. The CID investigated the case and filed Charge sheet in C.C.No.524/2007 in Cr.No.31/2007 of Central Crime Station Police Station in the VI Additional Chief Metropolitan Magistrate Court, Nampally, Hyderabad. The case is still pending in the above mentioned Criminal Court.

4. In the Departmental inquiry conducted by the Sarva Siksha Abhiyan, the Inquiry officer held that the charges framed were proved conclusively. After following the due procedure under Andhra Pradesh Civil Services (CCA) Rules 1991, the Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad in exercise of Powers conferred under clause (II) of Sub-Rule 27 read with clause (VIII), Rule 9 of Andhra Pradesh Civil Services (CCA&A) Rules, 1991, a major penalty of Compulsory Retirement from service was imposed on Sri M.Vidyasagar, former Assistant Accounts Officer vide Proceedings No.K(II)/8/5098/2007, dt.16.04.2011. Sri M.Vidyasagar appealed to the Government against the punishment imposed on him, which was rejected vide Government Memo. No.921/201/A2/Admn.I/2009-1, Finance Department, dt.02.06.2012.

5. Aggrieved by the above orders, Sri M.Vidyasagar filed O.A.No.3110/2012 in Andhra Pradesh Administrative Tribunal. The Andhra Pradesh Administrative Tribunal pronounced the Judgement on 24.07.2013 and set aside the orders of punishment issued in Proc.No.K(II)8/5098/2007, dt.16.04.2011 of the Director of Treasuries and Accounts Department, Andhra Pradesh, Hyderabad and Government Memo. No.921/201/A2/Admn.I/2009-1, Finance Department, dt.02.06.2012 on the following grounds:

1. The first two charges framed at (para 1) above does not contain any details of the allegations. In the charge Memo it was stated that the irregularities pertain to the years 2001-02 to 2004-05. But no details of Utilisation

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certificate submitted and revised by the Government of India and the defects pointed out by the Ministry of Human Resource Development were mentioned. The charges were therefore vague and the applicant happened to join as Assistant Accounts Officer in Sarva Siksha Abhiyan only in December 2004, which clearly indicate that the charges pertain prior to the date of his joining in Sarva Siksha Abhiyan.

2. The third charge was not issued along with the first two charges and it was issued on 25.11.2008. This charge involves other charged officers i.e., Sri V.Subhramanyam, Smt. R.Malathy and Sri M.Srinivas who were said to have colluded in fraudulently drawing Rs.9.40 Lakhs from SBH, Begumpet. The Inquiry officer in this case was appointed prior to issue of Charge Memo dt.25.11.2008, which is not in accordance with rule. The Common Inquiry as required under Rule 24 of Andhra Pradesh Civil Services (CC&A) Rules was not held.
6. The Andhra Pradesh Administrative Tribunal therefore concluded that the Charges are vague and the procedure prescribed under the rules had not been followed and basing on the report of the Inquiry officer, the orders of compulsory Retirement is per se illegal and irregular.
7. Accordingly, the Andhra Pradesh Administrative Tribunal passed the following order:

'In these circumstances of the case the impugned orders passed by the Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad in Proceedings No.K (II)8/5098/2007, dt.16.04.2011 and Memo No. 921/201 /A2/Admn.I/2009-1, dt.02.06.2012, wherein the appeal was rejected are set aside and further as the Criminal Case filed against the applicant and others is pending adjudication before the Hon'ble VI Additional Metropolitan Magistrate Court, the respondents are at liberty to take action against the applicant as per rules and as per the procedure prescribed under the rules after disposal of the Criminal Case, if they choose to do so. In view of setting aside the impugned orders and as it is stated that the applicant attained the age of superannuation on 31.07.2012, the respondents are directed to treat the period from 12.04.2007 to till the date of his actual superannuation i.e., on 31.07.2012 as "on duty" and pay all the benefits and release the provisional pension and other benefits as per rules within a period of eight weeks from the date of receipt of a copy of this order'.

8. The Government consulted the Law Department and the Government Pleader for Services-II, High Court of Andhra Pradesh. The Law Department and the Government Pleader in the references fourth and fifth read above opined that there are no good grounds to carry the matter in appeal to High Court.

9. In the Circumstances of the case, the Government after careful examination hereby direct the Director of Treasuries and Accounts Department, Andhra Pradesh, Hyderabad to implement the order of the Andhra Pradesh Administrative Tribunal dt.24.07.2013, by treating the period from 12.04.2007 to till the date of superannuation (31.07.2012) of Sri M.Vidya Sagar, former Assistant Accounts

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Officer as 'on duty' and pay all the benefits and release provisional pension and other benefits as per G.O.Ms.No.1097, Finance (Pension.I) Department, dt.22.06.2000.

10. The above orders are however subject to outcome of the Criminal Case pending in the Hon'ble VI Additional Chief Metropolitan Magistrate Court, Nampally, Hyderabad in CC No.524/2007 in Cr.No.31/2007 of Central Crime Station Police Station and the Government is at liberty to take action against Sri M.Vidya Sagar, Assistant Accounts Officer (Retd.) as per rules and Procedure prescribed under the rules after disposal of the Criminal case.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**L.PREMACHANDRA REDDY
PRINCIPAL SECRETARY TO GOVERNMENT (FP)(FAC)**

To

- 1.The Individual through the Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad.
- 2.The Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad.
- 3.The SPD, Rajiv Vidya Mission (Sarva Siksha Abhiyan), Andhra Pradesh, Hyderabad
- 4.The Principal Accountant General (A&E), Andhra Pradesh, Hyderabad,
- 5.The Pay and Accounts Officer, Andhra Pradesh, Hyderabad
- 6.SF/SCs

//FORWARDED :: BY ORDER//

SECTION OFFICER